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Review of *Business as a Calling: Work and the Examined Life* by Michael Novak

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Business as a Calling: Work and the Examined Life
By Michael Novak (New York: The Free Press,
1996, 246 pp., \$22.50)

Given the tidal wave of business books dealing with every aspect of organizational efficiency in the value chain, it is refreshing to encounter one that addresses the bigger management picture. It is even more gratifying to find the tough “big picture” questions treated so insightfully. Michael Novak, in his Templeton prize-winning book, *Business as a Calling*, takes on the central problem of what it means to be a manager in today’s complex world. In other words, Novak asks, what constitutes the *vocation* of serving in a management career? And how does the role of manager affect society at large? In answering these queries, the author detours into several provocative asides including short discussions of the importance of philanthropy, the ethics of chief executive officer compensation, the current political climate of American universities, and the relationship of capitalism and democracy (a Novak specialty). Yet the main message is about the moral responsibility of living one’s life as a business manager. For thoughtful, reflective marketing managers wishing to put their everyday work into a broader perspective, this is a must-read book.

Novak begins his thesis with the observation that the vast majority of managers do not think of their work as a vocation. Instead, being a manager is simply a job, albeit a sometimes powerful and high-paying one. Novak laments the pragmatic language of the business world and the MBA-style education that systematically excludes discussion of the moral and religious dimensions of economic life. Implicitly argued is that the self-esteem of many managers would be improved if they better understood the nature of their everyday work as a sacred vocation essential to the well-being of society.

The core of Novak's message is as follows: Business is a uniquely challenging profession because of the central role it plays in the improvement of the public domain. Business organizations, by way of the product/market choices that managers make, creatively transform society for better or worse. Operating within the context of private and semiprivate organizations, business managers also are involved in building essential forms of community, that is, corporate cultures that provide a shaping environment for millions of employees throughout their working lives.

Historically, the other professions, whether law, medicine, or science, all have depended on their practitioners understanding the inherent values and ideals from which these vocations draw their strength. Novak envisions management success, especially that which combines financial accomplishment and contribution to the society, as being grounded in four cardinal virtues: temperance, fortitude (or courage), practical wisdom, and justice. Practical wisdom is seen as the key virtue for executives because it organizes and directs the others, which allows business managers to be both realistic and effective as they discharge their responsibilities.

Such high-minded philosophical examination might discourage some readers. Fortunately, Novak translates his vocational philosophy, essentially a variation of Aristotle's virtue ethics, into comprehensible terms. The key to this book is Chapter 7, in which the author postulates seven requirements for business success as well as seven ethical principles. Belief in the principles, in part, depends on accepting that managers function not only as economic agents for the organization's financial betterment, but also as representatives of the greater society.

Most of Novak's postulated requirements for business success involve organizational characteristics that environmentally attuned managers would anticipate and expect. Included here are the need for customer satisfaction, the requirement of a reasonable rate of return on investment for company survival, and the role of business organizations in the creation of jobs, innovation, and wealth. More intriguing are Novak's seven *ethical* principles for success. These obligations are controversial because they are not necessarily embraced by all managers. Some will see them as only *voluntary* responsibilities. Among these moral imperatives are a few that might be unquestioned by most managers, such as respect for the law and communicating with stakeholders. More debatable, but no less essential in his view, are the proposed moral imperatives for business to foster a caring, corporate community; to work to achieve social justice so that the less fortunate can improve their economic

status; and to create an organizational climate that enables managers to assume voluntary leadership positions that contribute to society. Most likely, the full assembly of moral obligations advocated would be viewed skeptically by some managers as beyond the ken and scope of normal and required business activities.

Novak is not naïve. He readily grants that high moral standards are associated with higher economic cost, especially in the short run. Nevertheless, businesses seem to be better off in the long run by taking the higher ethical road. Why? Because the vast majority of business partners and customers covet trustworthy relationships, not the climate of economic deceit that would be created by corporate liars, scoundrels, and cheats attempting to obtain an economic advantage by any possible means. Novak uses a positive case example of Unocal operating in Burma to underscore this point.

This book has relevance for any manager—regardless of their religious persuasion or lack thereof—who is disposed to a value-directed approach for conducting business. However, an examination of Novak's recommendations strikes a chord of distinct similarity with a body of thought sometimes referred to as Catholic Social Teaching (CST). Novak studied for a career as a Catholic priest and regularly integrates theological and philosophical theory into his writing on economic issues, so perhaps this should not be surprising. Those familiar with CST will find the connections apparent. In 1986, a committee of U.S. Catholic bishops, headed by Archbishop Rembert Weakland of Milwaukee and informed by thousands of pages of testimony from economists and business executives of every denominational stripe, authored a pastoral letter titled *Economic Justice for All*. In that work, the committee put forward several guiding principles that should influence the moral conscience of practicing managers who take their religious faith seriously. The principles contained in the letter were endorsed explicitly by the religious leaders of several Protestant denominations as well. Included among these are the following:

- *A preferential option for the poor.* This tenet essentially suggests that when economic decisions are made, if they have a disproportionate negative effect on the social well-being of those who are most economically disadvantaged in the society or community, the business decision is likely unethical.
- *The priority of labor over capital.* This proposition fundamentally underscores the human dignity of all workers and suggests that whenever capital is substituted for labor (e.g., employees are laid off because of a switch to automated assembly) such decisions should be made prudentially and reluctantly. And, if workers are to be let go, they should be treated humanely with job replacement or job retraining programs whenever possible.
- *The principle of stewardship.* This principle suggests that managers are caretakers for the overall economic resources of society. One implication of this view is that macro-level outcomes of business decisions should be given due consideration.

The underlying supposition behind Novak's implicit endorsement of these principles is that corporations and society will grow healthier in the long run if these principles are embraced.

The potential influence of this book is enormous if a significant number of managers are exposed to its ideas and integrate them into their thinking. The MBA mentality of a corporate America that certifies the notion that competition is essentially an economic game in which “the dog that snaps the fastest gets the bone” is responsible for many of the ethically questionable decisions and financial excesses that are reported almost daily in the business press. The willingness of some organizations to engage in bribery, leak useful financial information to trading partners, foist unsafe products upon an unsuspecting public, and promote their services in deceitful ways denigrates the economic system that so many managers profess to cherish. Why is this so? Because such unethical practices reward the unscrupulous firm rather than the organization that offers the best value at a fair price. The true richness of *Business as a Calling* is that it provides the philosophical fabric to comprehend management as something more than an economic agency. The ethical imperatives derivative from an examined life will lead managers to accept the obligations inherent in the *vocation* of manager—namely, to serve as a steward for the resources of his or her organization, but with the foreknowledge that those resources also are intended to contribute to the greater good of society. Smart marketing managers always have prided themselves on making special efforts to know the consumer. This book gives them the perspective to know themselves better.

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